

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 458 - SB 636**

March 3, 2011

**SUMMARY OF BILL:** Eliminates eligibility for carryovers of ad valorem tax equity payments made to telecommunications service providers from the Telecommunications Ad Valorem Tax Reduction Fund.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

**Assumptions:**

- Currently, a portion of tax revenue collected from the tax imposed on interstate or international telecommunications services sold to businesses is paid into a telecommunications ad valorem tax reduction fund. Carryovers result when the fund is insufficient to pay telecommunications companies the sums due as directed by the fund.
- According to the Comptroller, the provisions of this bills removes the carryover eligibility but the funds placed in the ad valorem tax reduction fund will continue to be paid out to qualifying telecommunications companies. The elimination of the carryover will not have a fiscal impact on state or local governments.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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